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ATTORNEYS AND COUNSELORS AT LAW

October 17, 2005

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SC PUBLIC SERVICE
COMMISSION

VIA HAND-DELIVERY:

Charles L.A. Terreni, Chief Clerk & Administrator
Public Service Commission of South Carolina
101 Executive Center Drive, Suite 100
Columbia, South Carolina 29210

Re: Petition to Establish Generic Docket to Consider Amendments to
Interconnections Agreements Resulting From Changes of Law
Communication Commission's Triennial Review Order
SC PSC Docket No. 2004-316-C
SGS&L File No. 5665-1506

Dear Mr. Terreni:

ITC^DeltaComCommunications, Inc. intends to submit revised Direct Testimony of witness Jerry Watts in the above referenced action. Consistent with the "change of law" hearings in the other Southeastern states, the parties have stipulated similar testimony of Mr. Watts be entered into the record without his required attendance at the hearing. DeltaCom apologizes for late notice of its request; however, DeltaCom believes the parties and the Commission will not be prejudiced by its request.

Counsel for BellSouth, US LEC of South Carolina, the Office of Regulatory Staff, and CompSouth have consented to such request. During a conference call last week held by Joseph Melchers, the Hearing Officer, the parties discussed DeltaCom's actions in the other hearings. Thus, all parties have notice of previous requests and all parties have not objected to DeltaCom's requests in the other states.

Therefore, ITC^DeltaComCommunications, Inc. respectfully requests approval from the Public Service Commission of South Carolina to enter Mr. Watts' revised direct testimony into the record without Mr. Watts having to attend the hearing in this matter. Please find attached the revised testimony of Mr. Watts.

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OK D. Decker

10/17/2005
Page 2 of 2



Thank you for your consideration of this request. By copy of this correspondence, I am serving parties of record with DeltaCom's request by e-mail and mail.

Sincerely,



Robert E. Tyson, Jr.

RETjr:alw
Enclosures

cc: Joseph Melchers, Esquire
Jerry Watts
All Parties of Record

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**BEFORE THE
SOUTH CAROLINA PUBLIC SERVICE COMMISSION**

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**DIRECT TESTIMONY OF JERRY WATTS
ON BEHALF OF
ITC^DELTACOM COMMUNICATIONS, Inc.**

DOCKET NO. 2004-316-C

**PETITION OF BELL SOUTH TELECOMMUNICATIONS, INC. TO ESTABLISH
GENERIC DOCKET TO CONSIDER AMENDMENTS TO INTERCONNECTION
AGREEMENTS RESULTING FROM CHANGE OF LAW**

October 17, 2005

1 **Q: PLEASE STATE YOUR NAME POSITION AND BUSINESS ADDRESS.**

2 A: My name is Jerry Watts, I am Vice President of Government and Industry Affairs
3 for ITC^DeltaCom, Communications, Inc. d/b/a ITC^DeltaCom ("DeltaCom"). My
4 business address is 7037 Old Madison Pike Huntsville, Alabama, 35806.

5
6 **Q: PLEASE DESCRIBE YOUR EDUCATIONAL BACKGROUND AND BUSINESS**
7 **EXPERIENCE.**

8 A: I am a graduate of Auburn University with a B.S. in Accounting. I have over thirty
9 years experience in the telecommunications industry including positions with
10 Southern Bell, South Central Bell, BellSouth, AT&T, and ITC^DeltaCom. Most of
11 my career has been in the area of Government Affairs with responsibility for both
12 regulatory and legislative matters at the state and federal level.

13
14 I have served as an officer or board member for several industry associations
15 including the Alabama Mississippi Telephone Association, The Georgia
16 Telephone Association, The Alabama Inter-Exchange Carriers Association, The
17 Southeastern Competitive Carriers Association and The Georgia Center for
18 Advanced Telecommunications Technology. I currently serve as President of
19 The Competitive Carriers of the South, ("CompSouth"), a non-profit association of
20 20 competitive telecommunications companies operating in the Southeast. I also
21 serve as a board member of CompTel/ALTS. CompTel/ALTS is the leading
22 industry association representing 350 competitive facilities-based
23 telecommunications service providers, emerging VoIP providers, integrated

1 communications companies, and their supplier partners. CompTel/ALTS
2 members are building and deploying packet and IP-based networks to provide
3 competitive voice, data and video services in the U.S. and around the world. The
4 association, based in Washington, D.C., includes companies of all sizes and
5 profiles, from the largest next-generation network operators to small,
6 entrepreneurial companies. I have previously presented testimony in Georgia.

7
8 **Q: WHAT ARE YOUR RESPONSIBILITIES AT ITC^DELTACOM?**

9 A: I am responsible for ITC^DeltaCom's relationship with state and federal
10 government entities including state public utility commissions, state legislatures,
11 the FCC and the US Congress. I am also responsible for facilitating the working
12 relationship of ITC^DeltaCom with other telecommunications companies
13 including incumbent local exchange companies, competitive local exchange
14 companies and other providers.

15
16 **Q: WHAT IS THE PURPOSE OF YOUR TESTIMONY?**

17 A: The purpose of my testimony is to provide DeltaCom's position on certain generic
18 issues jointly filed with the Commission by CompSouth and BellSouth and
19 additional issues identified in DeltaCom's bilateral TRO/TRRO negotiations with
20 BellSouth. I will also discuss the current status of DeltaCom's interconnection
21 agreement negotiations. I will describe how DeltaCom can participate in the
22 generic proceedings as well as two-party interconnection agreement negotiations
23 pursuant to Sections 251, 252 and 271 of the Telecom Act.

1 **Q. WHAT IS THE PURPOSE OF THIS PROCEEDING AND WHAT OTHER**
2 **ACTION WILL BE REQUIRED TO COMPLETE THE CHANGE OF LAW**
3 **PROCESS RESULTING IN A COMMISSION APPROVED INTERCONNECTION**
4 **AGREEMENT THAT IS COMPLIANT WITH THE TRO/TRRO?**

5 A. The purpose of the generic proceeding is to hear generic testimony for those
6 issues identified on the issues list jointly filed by CompSouth and BellSouth. It
7 was agreed that this process would include the approval by the Commission of
8 policies resulting in compliant language to be used in TRO/TRRO amendments
9 or new interconnection agreements that would subsequently be filed by
10 BellSouth and each CLEC for approval by the Commission. In the case of
11 DeltaCom and some other CLECs, the approved TRO/TRRO language will be
12 used in conjunction with other language negotiated or arbitrated for their new
13 interconnection agreements.

14
15 **Q. HAS DELTACOM SOUGHT THE MOST EFFICIENT PROCESS TO RESOLVE**
16 **ITS ISSUES WITH BELL SOUTH?**

17 A. Yes. During the early stage of discussions with BellSouth, DeltaCom
18 recommended that the parties agree to a framework for the negotiations that
19 would accommodate deferral of certain issues to the generic proceedings, and
20 separate dispute resolution of issues that were unique to the DeltaCom and
21 BellSouth circumstances. In the present case, DeltaCom and BellSouth will
22 attempt to resolve all issues for the new interconnection agreement through

1 negotiations and can seek arbitration of the non-generic issues that cannot be
2 resolved.

3
4 **Q: ARE THERE ANY OTHER CHANGE OF LAW ISSUES NOT RELATED TO**
5 **THE TRO/TRRO THAT HAVE BEEN RAISED?**

6 A: Yes. The Pick and Choose Order and the Core ISP Remand Order. However, I
7 will focus on the Core ISP Remand decision. The Core ISP remand order states
8 that the growth caps and new markets rule no longer applies. BellSouth takes the
9 position that the template language in the interconnection agreement should not
10 incorporate this FCC order and points to the fact that BellSouth has reached
11 individual settlements with certain carriers. For the template agreement,
12 DeltaCom recommends the language noted in Exhibit JW-1.

13
14 **Q: DOES THIS CONCLUDE YOUR TESTIMONY?**

15 A: Yes.

Exhibit JW-1

[BST-Proposes to modify] BellSouth shall, upon request of ITC^DeltaCom and to the extent technically feasible, provide to ITC^DeltaCom access to its unbundled network elements for the provision of ITC^DeltaCom's telecommunications service. **[BST-Proposes to delete-covered in commingling Section 1.10]** At ITC^DeltaCom's option, access services may be ordered to the collocations space. [ITCD seeks to keep this sentence].

Should a CLEC merge its embedded customer base with ITCD prior to March 11, 2006, that CLEC's embedded customer base shall be included with ITCD's pursuant to the rates, terms and conditions contained herein. Additionally, BellSouth shall continue to provide the same features, functions, and quality of service for local switching for the embedded base of customers during the transition period.

[BST seeks to strike] To the extent BellSouth converts a resold service to unbundled network elements or combination of network elements for any telecommunications carrier, BellSouth shall make available to ITC^DeltaCom the same conversion for the same services and elements on the same terms and conditions and at the same rates, if any; provided, however that the rate for such conversion shall not exceed those rates set forth in **Exhibit D** to this Attachment

Interconnection Compensation

6.2 ISP-Bound Traffic Definition: ISP-Bound Traffic is defined as calls to an information service provider or Internet service provider (ISP) that are dialed by using a local dialing pattern (7 or 10 digits) by a calling party in one LATA to an ISP serving the same LATA, except for that portion of the calls that are completed using switched access arrangements as defined in the Parties' respective tariffs as filed and effective with the appropriate Commission. ISP-bound Traffic is not Local Traffic subject to reciprocal compensation, but instead is information access traffic subject to the FCC's jurisdiction. ISP-Bound traffic is interstate in nature. ISPs are to be treated as end users and are not subject to access charges.

6.3 The Parties shall compensate each other for the call transport and termination of ISP-bound Traffic at the rate set forth below in Sections 6.3.1.

6.3.1 The Parties shall charge the rate of \$.0007 per minute of use for ISP-bound traffic regardless of whether CLEC is entering into a new market.

6.3.2 Notwithstanding anything to the contrary in this Agreement, the volume of ISP bound Traffic for which one Party may bill the other shall **no longer be** subject to a growth **cap pursuant to WC Docket NO. 03-171.**